Electronically FILED by Superior Court of California, County of Los Angeles on 10/07/2019 09:50 AM Sherri R. Carter, Executive Officer/Clerk of Court, by J. Young,Deputy Clerk

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SUPERIOR COURT OF CALIFORNIA - COUNTY OF LOS ANGELES

NORTHE CENTRAL DISTRICT - GLENDALE

UNLIMITED CIVIL

Northern California Collection Service, Inc., *Plaintiff,* v. Resourceful Developments, Inc., et al., *Defendants.*	Case No. EC068574 Evidence in support of Plaintiff NCCS's Request for Default Judgment - Declaration of Bradford Thornberry [CRC Rule 3.1800 (a)(2)] Complaint filed: 6/8/2018

I, Bradford Thornberry, declare:

1. I am over the age of 18 years and competent to testify to the facts stated herein.

2. I am employed by State Compensation Insurance Fund (State Fund) as a Senior Workers' Compensation Insurance Representative. I had been an auditor for eighteen years and before being promoted to the position of State Fund's Senior Workers' Compensation Insurance Representative, I worked for State Fund as an auditor. The Resourceful Developments,

Inc. account is assigned to me because of the geographical region and amount of money involved.

3. State Fund reserves the right to designate another custodian of records as it deems appropriate in the event an actual appearance is required concerning these records.

4. The copies of the business records enclosed are true copies of records maintained by State Fund.

5. These records were prepared by State Fund's employees or representatives in the ordinary course of business at or near the time of the acts, conditions or events described in the records, and it was the ordinary course of business for State Fund employees or representatives with knowledge of the act, event, or condition recorded to make the record or transmit information therein to be included in such record.

6. These records may include copies of records in the possession of State Fund, but not created by State Fund personnel or representatives, and it is the ordinary course of business for State Fund to maintain these records. These records may include copies of records provided to State Fund by third parties, and it is the ordinary course of business for State Fund to maintain copies of these records as well.

7. State Fund's records as described above, with few exceptions, are scanned into a computer database such that the records are stored electronically and paper originals no longer exist. State Fund relies upon the accuracy of the data stored in its computer and the printouts attached here accurately reflect that data.

8. I am authorized to certify the records pertaining to the account of Resourceful Developments, Inc.

9. State Fund provided workers' compensation and employer's liability insurance to Resourceful Developments, Inc. (the insured), policy number 9063211, during the period 6/28/13 through 9/11/14.

10. The last revision to State Fund's policy for this type of coverage, current through all periods in issue, was made in January 2012. State Fund's Workers' Compensation and Employer's Liability Insurance Policy is incorporated as though fully set forth, and a copy is attached here for the convenience of the parties and the Court as **Exhibit 2.**

11. State Fund's records include a copy of the Terms of Insurance, dated 5/9/13, and, as page 3, the Terms Summary signed by the insured. The Terms of Insurance and Terms Summary are incorporated as though fully set forth, and a copy is attached here for the convenience of the parties and the Court as **Exhibit 3.**

12. State Fund's records include the Policy Declarations for the coverage period 6/28/13 through 6/28/14, showing the work classifications and rates per $100 of remuneration to be charged for this period. The Policy Declarations are incorporated as though fully set forth, and a copy is attached here for the convenience of the parties and the Court as **Exhibit 4.**

13. State Fund's records include a Policyholder Notice for policy number 9063211-13, which is incorporated as though fully set forth, and a copy is attached here for the convenience of the parties and the Court as **Exhibit 5.**

14. Premium for this insurance has three aspects:

1) the insured pays an initial premium based upon figures from the insured. Until the policy terminates, the initial premium is transferred to each consecutive policy period. (Policy, p. 5, Part Six - Conditions, ¶ B.)

2) the insured makes periodic payments during the coverage period based upon the insured's estimate of employee payroll and other remuneration multiplied by a work classification. (Policy, p. 4, Part Five – Premium, ¶¶ B & C.) These are estimated premium payments.

3) State Fund determines the final premium after the coverage ends by auditing the insured's records. (Policy, pp. 4-5, Part Five - Premium, ¶¶ E, F & G.)

15. The insured paid State Fund an initial premium.

16. During the 6/28/13 through 6/28/14 period of coverage, State Fund received $2,289.75 in payments from the insured. State Fund credited the $118.65 due for the surcharges State Fund must collect under Labor Code section 62.5 and 62.6 and Insurance Code section 1063.5. State Fund's computerized account/bookkeeping system is incorporated as though fully set forth, and a copy of the Summary Totals printout for the 2013 coverage period is attached here for the convenience of the parties and the Court as **Exhibit 6.** The total payments and credits are shown in the first column of Exhibit 6 as $2,408.40.

17. The insured's policy automatically renewed on 6/28/14. State Fund's records include the Annual Rating Endorsement for the coverage period 6/28/14 through 6/28/15, showing the work classifications and rates per $100 of remuneration to be charged for this period. The Annual Rating Endorsement is incorporated as though fully set forth and a copy is attached here for the convenience of the parties and the Court as **Exhibit 7.**

18. State Fund's records include a Policyholder Notice for policy number 9063211-14, which is incorporated as though fully set forth, and a copy is attached here for the convenience of the parties and the Court as **Exhibit 8.**

19. State Fund cancelled Resourceful Developments, Inc.'s policy on 9/10/14. The Notice of Cancellation, dated 8/26/14, is incorporated as though fully set forth and a copy is attached here for the convenience of the parties and the Court as **Exhibit 10.**

20. During the 6/28/14 through 9/11/14 period of coverage, State Fund received no payments from the insured. State Fund credited the $51.30 due for the surcharges State Fund must collect under Labor Code section 62.5 and 62.6 and Insurance Code section 1063.5, and State Fund credited the $1,145.00 initial premium deposit. State Fund's computerized account/ bookkeeping system is incorporated as though fully set forth, and a copy of the Summary Totals printout for the 2014 coverage period is attached here for the convenience of the parties and the Court as **Exhibit 9.** The total payments and credits are shown in the first column of Exhibit 9 as $1,196.30.

21. State Fund requested the insured to submit to an audit. State Fund's records include the audit request letter, dated 12/4/14, which is incorporated as though fully set forth, and a copy is attached here for the convenience of the parties and the Court as **Exhibit 11.**

22. The audit for the 6/28/13-6/28/14 period of coverage was completed by 2/17/15. The premium due for the 2013 period of coverage is $130,777.95. On or about 3/10/15 State Fund mailed the final audited premium bill in the amount of $130,777.95 to the insured. That bill is incorporated as though fully set forth and a copy of that bill is attached here for the convenience of the parties and the Court as **Exhibit 12.** The Exhibit 12 bill shows, on the right hand side, debits from the audit results, credits for payments made during the coverage period, debits and credits for surcharges State Fund must collect under Labor Code section 62.5 and 62.6 and Insurance Code section 1063.5, and at the bottom right is the balance due of $130,777.95.

23. The audit for the 6/28/14-9/11/14 period of coverage was completed by 2/17/15. The premium due for the 2014 period of coverage is $45,539.54. On or about 3/12/15 State Fund mailed the final audited premium bill in the amount of $45,539.54 to the insured. That bill is incorporated as though fully set forth and a copy of that bill is attached here for the convenience of the parties and the Court as **Exhibit 13.** The Exhibit 13 bill shows, on the right hand side, debits from the audit results, a credit for the $1,145.00 initial premium deposit, debits and credits for surcharges State Fund must collect under Labor Code section 62.5 and 62.6 and Insurance Code section 1063.5, and at the bottom right is the balance due of $45,539.54.

24. The audited premium bills were a lot more than the $1,791.00 estimate the insured gave State Fund shown on the Exhibit 3 Terms of Insurance and Terms Summary. State Fund received no request from Resourceful Developments, Inc. for reconsideration to State Fund's Customer Assistance Program regarding the ratings, the audits or the Exhibit 12 or 13 premium bills. State Fund received no notice of any complaint and request for action, or reconsideration, from Resourceful Developments, Inc. to the Workers Compensation Insurance Rating Bureau regarding the ratings, the audits or the Exhibit 12 or 13 premium bills. State Fund received no notice of any appeal from Resourceful Developments, Inc. to the Insurance Commissioner regarding the ratings, the audits or the Exhibit 12 or 13 premium bills.

25. Notwithstanding dunning letters to the insured, State Fund received no payments on the Exhibit 12 or Exhibit 13 bills. One such letter, dated 5/18/15, is incorporated as though fully set forth and a copy is attached here for the convenience of the parties and the Court as **Exhibit 14.**

26. On 6/10/15, State Fund informed the insured in writing the balances due were assigned for collection to Northern California Collection Service, Inc. On 6/24/15, State Fund assigned the unpaid balances to Northern California Collection Service, Inc. for collection.

27. After the assignment, on or about 7/8/15, State Fund's Audit Operations Unit received a request from the insured to review the audit for the 2013 coverage period. State Fund's response letter, dated 8/6/15, requesting specified documentation, is incorporated as though fully set forth and a copy is attached here for the convenience of the parties and the Court as **Exhibit 15.** State Fund did not receive the requested documentation and sent a second letter to the insured. That second letter, dated 9/21/15, is incorporated as though fully set forth and a copy is attached here for the convenience of the parties and the Court as **Exhibit 16.** State Fund never received the requested documentation to review or revise the audit for the 2013 coverage period.

28. Also after the assignment, on or about 7/8/15, State Fund's Audit Operations Unit received a request from the insured to review the audit for the 2014 coverage period. State Fund's response letter, dated 8/6/15, requesting specified documentation, is incorporated as though fully set forth and a copy is attached here for the convenience of the parties and the Court as **Exhibit 17.** State Fund did not receive the requested documentation and sent a second letter to the insured. That second letter, dated 9/21/15, is incorporated as though fully set forth and a copy is attached here for the convenience of the parties and the Court as **Exhibit 18.** State Fund never received the requested documentation to review or revise the audit for the 2014 coverage period.

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29. Northern California Collection Service, Inc. requested State Fund's authorization to file suit on the assigned bills. I gave that authorization in writing on 2/8/16.

I declare under penalty of perjury under the laws of the State of California that the above is true and correct. Declaration executed in Vacaville, Solano County, California.

Date: 1-28-19

Bradford Thornberry

EXHIBIT 2

WORKERS' COMPENSATION AND EMPLOYER'S LIABILITY INSURANCE POLICY

INTRODUCTION

In return for the payment of the premium and subject to all terms and conditions of this policy, we (the State Compensation Insurance Fund) agree with you (the employer named in the Declarations) as follows:

PART ONE - WORKERS' COMPENSATION INSURANCE

A. The Policy

This policy includes the Declarations and all endorsements and schedules issued by us to be part of this policy and constitutes the entire contract of insurance. It is a contract of insurance between you and us. It is non-transferable. The only agreements relating to this insurance are stated in this policy.

The terms of this policy may not be changed or waived except by endorsement issued by us to be part of this policy. You are responsible for telling us at once when the information contained in this policy is no longer accurate for your operations.

No condition, provision, agreement or understanding not stated in this policy contract will affect any rights, duties or privileges in connection with this policy contract.

B. Who Is Insured

You are insured for your liability to your employees if you are the employer named in the Declarations, subject to the provisions of this policy.

If the employer is a partnership, and if you are one of its named partners, you are insured but only in your capacity as an employer of the partnership's employees.

This policy does not insure the liability of any employer other than the employer named in the Declarations.

C. Workers' Compensation Law

Workers' compensation law means the Workers' Compensation Laws of the State of California. It includes any amendments to that law which are in effect during the policy period. It does not include the provisions of any law that provide non-occupational disability benefits. It does not include the provision of any federal law.

D. Locations

This policy covers all of your California workplaces listed in the Declarations; and it covers all of your other California workplaces unless you have other insurance or are self-insured for such California workplaces.

E. Who Is Eligible To Receive Workers' Compensation Benefits

Your employees (or in the event of their death, their dependents) are eligible for benefits under this policy, except that:

1. Employees who are covered for California workers' compensation benefits on a policy also affording comprehensive personal liability (CPL) insurance issued to you are not eligible for benefits under this policy.
2. Employees who are excluded under workers' compensation law are not eligible for benefits under this policy, unless they have been included in the Declarations or by endorsement.

If you are named in the Declarations as an Individual Employer or a Husband and Wife Employer, either as individuals or a co-partnership, you are not eligible for benefits under this policy.

PART TWO - WORKERS' COMPENSATION INSURANCE

A. How This Insurance Applies

This workers' compensation insurance applies to bodily injury by accident or bodily injury by disease, including resulting death, subject to the following conditions:

1. Bodily injury by accident must occur during the policy period.
2. Bodily injury by disease must be caused or aggravated by the conditions of your employment. Your employee's exposure to those conditions causing or aggravating such bodily injury by disease must occur during the policy period.

B. We Will Pay

We will pay promptly when due to those eligible under this policy the benefits required of you by the workers' compensation law.

C. We Will Defend

We have the right and duty to defend at our expense any claim or proceeding instituted against you before the Workers' Compensation Appeals Board for benefits payable by this workers' compensation insurance. We have the right to investigate and settle these claims or proceedings.

We have no duty to defend any claim, proceeding or suit that is not covered by this workers' compensation insurance.

We have no duty to defend any claim against you for the discharge, coercion, or discrimination against any employee in violation of the law.

We may, at your request, defend you using our legal staff against a claim of serious and willful misconduct or for sanctions instituted before the Workers' Compensation Appeals Board.

D. We Will Also Pay

We will also pay the costs enumerated below, in addition to other amounts payable under this workers' compensation insurance, as part of any claim or proceeding we defend before the Workers' Compensation Appeals Board:

1. reasonable expenses incurred at our request, but not loss of earnings;
2. premiums for bonds to release attachments and for appeal bonds in bond amounts up to twice the amount payable under this workers' compensation insurance;
3. litigation costs for which we are responsible;
4. interest on an award as required by law; and
5. expenses we incur.

E. Other Insurance

We will not pay more than our share of benefits and costs covered by this insurance and other insurance or self-insurance. All shares will be equal until the loss is paid. If any insurance or self-insurance is exhausted, the shares of all remaining insurance will be equal until the loss is paid.

F. Payments You Must Make

You are responsible for any payments in excess of the benefits regularly provided by the workers' compensation law including, but not limited to, those required because:

1. of your serious and willful misconduct;
2. you knowingly employ an employee in violation of law;
3. you fail to comply with a health or safety law or regulation;
4. you discharge, coerce or discriminate against any employee in violation of the law;
5. of injury to an employee under the minimum age specified in the workers' compensation law and illegally employed at the time of injury;
6. of an increase in indemnity payments due to your failure to provide us with timely and proper notice required by law. We may seek reimbursement for any of these amounts paid on your behalf; or
7. of sanctions imposed on you by the Workers' Compensation Appeals Board.

G. Recovery From Others

We may enforce your rights, and the rights of persons entitled to the benefits of this insurance, to recover our payments from anyone liable for the injury. You will do everything necessary to protect those rights for us and to help us enforce them.

H. Statutory Provisions

These statements apply where they are required by law:

1. As between an injured worker and us, we have notice of the injury when you have notice.
2. Your default or the bankruptcy or insolvency of you or your estate will not relieve us of our duties under this insurance for an injury occurring while this policy is in force.
3. We are directly and primarily liable to any person entitled to the benefits payable by this insurance, subject to the provisions, conditions and limitations of this policy.
4. Jurisdiction over you is jurisdiction over us for purposes of the workers' compensation law. We are bound by decisions against you under that law, subject to the provisions of this policy that are not in conflict with that law.
5. Terms of this insurance that conflict with the workers' compensation insurance law in effect during the policy period are changed by this statement to conform to that law.
6. Your employee has a first lien upon any amount which becomes owing to you by us on account of this policy, and in the case of your legal incapacity or inability to receive the money and pay it to the claimant, we will pay it directly to the claimant.

Nothing in these paragraphs relieves you of your duties under this policy.

EMPLOYER'S LIABILITY INSURANCE

A. How This Insurance Applies

This employer's liability insurance applies to bodily injury by accident or bodily injury by disease of an employee. Bodily injury means physical or mental injury, including resulting death. Bodily injury does not include emotional distress, anxiety, discomfort, inconvenience, depression, dissatisfaction or shock to the nervous system, unless caused by either a manifest physical injury or a disease with a physical dysfunction or condition resulting in treatment by a licensed physician or surgeon. Accident is defined as an event that is neither expected nor intended from the

standpoint of the insured.

1. The bodily injury must arise out of and in the course of the injured employee's employment by you.
2. The employment must be necessary or incidental to your work in California.
3. Bodily injury by accident must occur during the policy period.
4. Bodily injury by disease must be caused or aggravated by the conditions of your employment. The employee's last day of last exposure to the conditions causing or aggravating such bodily injury by disease must occur during the policy period.
5. If you are sued, the suit and any related legal actions for damages for bodily injury by accident or by disease must be brought under the laws of the State of California.

B. We Will Pay

We will pay all sums you legally must pay as damages because of bodily injury to your employees eligible for benefits under this policy, provided the bodily injury is covered by this employer's liability insurance.

The damages we will pay, where recovery is permitted by California law, include damages:

1. for which you are liable to a third party by reason of a claim or suit against you by that third party to recover the damages claimed against such third party as a result of injury to your employee;
2. for care and loss of services; and
3. for the consequential bodily injury that is covered by this employer's liability insurance to a spouse, child, parent, brother or sister of the injured employee;

provided that these damages are the direct consequence of bodily injury that arises out of and in the course of the injured employee's employment by you; and

4. because of bodily injury to your employee that arises out of and in the course of employment claimed against you in a capacity other than as employer.

C. Exclusions

This insurance does not cover:

1. liability assumed under a contract;
2. punitive or exemplary damages where insurance for such liability is prohibited by law or contrary to public policy;
3. damages or bodily injury to an employee while employed in violation of law with your actual knowledge or the actual knowledge of any of your executive officers;
4. any obligation imposed by a workers' compensation, occupational disease, unemployment compensation or disability benefits law, the provisions of any federal law unless endorsed on this policy or any similar law;
5. damages or bodily injury intentionally caused or aggravated by you;
6. damages or bodily injury arising out of termination of employment;
7. damages or bodily injury arising out of coercion, criticism, demotion, evaluation, reassignment, discipline, defamation, harassment or humiliation of, or discrimination against any employee, or from any personnel practices, policies, acts or omissions; or
8. fines or penalties imposed for violation of any law.

D. We Will Defend

We have the right and duty to defend, at our expense, any claim, proceeding or suit against you for damages payable by this employer's liability insurance. We have the right to investigate and settle these claims, proceedings and suits. We may use counsel of our choice.

We have no duty to defend a claim, proceeding or suit that is not covered by this employer's liability insurance. We have no duty to defend or continue defending after we have paid our limit of liability under this employer's liability insurance.

E. We Will Also Pay

We will also pay the costs enumerated below, in addition to other amounts payable under this employer's liability insurance, as part of any claim, proceeding or suit we defend:

1. reasonable expenses incurred at our request, but not loss of earnings;
2. premiums for bonds to release attachments and for appeal bonds in bond amounts up to twice the limit of our liability under this employer's liability insurance;
3. litigation costs taxed against you;
4. interest on a judgment as required by law, and
5. expenses we incur.

F. Other Insurance

We will not pay more than our share of damages and costs covered by this employer's liability insurance and other insurance or self-insurance. Subject to any limits of liability that apply, all shares will be equal until the loss is paid. If any insurance or self-insurance is exhausted, the shares of all remaining insurance and self-insurance will be equal until the loss is paid.

G. Limit Of Liability

Our liability to pay for damages, including defense costs, is limited. Our limit of liability, including defense costs, is shown in the Declarations. It is the most we will pay for all damages covered by this employer's liability insurance because of bodily injury to one or more employees in any one accident or occurrence, or series of accidents or occurrences, arising out of any one event.

We will not pay any claims for damages after we have paid the limit of our liability, including defense costs, under this insurance as explained above.

H. Recovery From Others

We may enforce your rights to recover our payment from anyone liable for an injury covered by this employer's liability insurance. You will do everything necessary to protect those rights for us and to help us enforce them.

I. Actions Against Us

There will be no right of action against us under this employer's liability insurance unless:

1. you have complied with all the terms of this policy; and
2. the amount you owe has been determined with our consent or by actual trial and final judgment.

This insurance does not give anyone the right to add us as a defendant in an action against you to determine your liability.

PART THREE - OTHER INSURANCE OUTSIDE CALIFORNIA

This coverage is identical to Part One of this policy. It applies to your employees who are hired in California and who are eligible for benefits under this policy while they are temporarily working anywhere outside of California on a specific assignment.

PART FOUR - YOUR DUTIES IF INJURY OCCURS

Tell us at once if an injury occurs that may be covered by this policy. Your other duties are listed here:

1. Provide for immediate medical treatment and other services required by the workers' compensation law.
2. Give us or our representative the names and addresses of the injured persons and of witnesses, and other information we may need as required by California Workers' Compensation Law.
3. Promptly give us all notices, demands and legal papers related to the injury, claim, proceeding or suit.
4. Cooperate with us and assist us, as we may request, in the investigation, settlement or defense of any claim, proceeding or suit.
5. Do nothing after an injury occurs that would interfere with our right to recover from others.
6. Do not voluntarily make payments, assume obligations or incur expenses, except at your own cost.

PART FIVE - PREMIUM

A. Manuals

All premium for this policy will be determined by our manuals of rules, rates, rating plans and classifications. We may change our manuals and apply the changes to this policy if authorized by law or a governmental agency regulating this workers' compensation insurance.

B. Classifications

The Declarations show the rate and premium basis for certain business or work classifications. These classifications were assigned based on an estimate of the exposures you would have during the policy period. If your actual exposures are not properly described by those classifications, we will assign proper classifications, rates and premium basis by endorsement to this policy. You are responsible for telling us at once of any change in classification.

C. Premium Calculation

Premium for each work classification is determined by multiplying a rate times a premium basis. Remuneration is the most common premium basis. This premium basis includes payroll and all other remuneration paid or payable during the policy period for the services of:

1. all your employees eligible for benefits under this policy while engaged in work covered by this policy; and
2. all other persons engaged in work that could make us liable under Part One of this policy. If you do not have payroll records for these persons, the contract price for their services and materials may be used as the premium basis. This paragraph will not apply if you give us proof that the employers of these persons lawfully secured their workers' compensation obligations.

D. Premium Payments

You will pay all premium when due.

E. Final Premium

The premium shown on the Declarations, schedules and endorsements is an estimate. The final premium will be determined after this policy ends by using the actual premium basis and the proper classifications, rates and rating plans that lawfully apply to the business and work covered by this policy. If you do not provide us with the information necessary to determine the actual premium basis, the estimated premium will be used. If the final premium is more than the premium you paid to us, you must pay us the balance. If it is less, we will refund the balance to you. The final premium will not be less than the minimum premium for this policy.

If this policy is cancelled, final premium will be determined in the following way unless our manuals provide otherwise:

1. If we cancel, final premium will be calculated pro rata based on the time this policy was in force. Final premium will not be less than the minimum premium if we cancel because you fail to comply with the terms and conditions of this policy in regard to payroll records or premium payments.

2. If you cancel, final premium will be more than pro rata: it will be based on the time this policy was in force, and increased by any short rate cancellation table and procedure in our manuals.

F. Records

You will keep records of information needed to compute premium. You will provide us with copies of those records when we ask for them.

G. Audit

You will let us examine and audit all your records that relate to this policy. These records include ledgers, journals, registers, vouchers, contracts, tax reports, payroll and disbursement records and programs for storing and retrieving data. We may conduct the audits during regular business hours during the policy period and within three years after the policy period ends. Information developed by audit will be used to determine final premium. The rating organization designated by the Insurance Commissioner has the same rights we have under this provision.

H. Rate Changes

Premium may be subject to midterm adjustment, for the unexpired term of the policy, pursuant to the Insurance Commissioner's power to disapprove rates.

[redacted]

A. Inspection

We have the right, but are not obliged, to inspect your workplaces at any reasonable time. Our inspections relate to the insurability of the workplaces and the premiums to be charged. We may give you reports on the conditions we find. We may also recommend changes. While they may help reduce losses, we do not undertake to perform the duty of any person to provide for the health or safety of your employees or the public. We do not warrant that your workplaces are safe or healthful or that they comply with laws, regulations, codes or standards. The rating organization designated by the Insurance Commissioner has the same rights we have under this provision.

B. Long Term Policy

If this policy is written for a period longer than one year, all the provisions of this policy shall apply separately to each consecutive twelve month period. If the first or last consecutive period is less than twelve months, the provisions of this policy shall apply as if a separate policy had been written for each consecutive period. Until your policy terminates, your deposit premium will be transferred to each consecutive policy period to act as a deposit as if a separate policy had been written.

C. Transfer Of Your Rights And Duties

Your rights or duties under this policy may not be transferred without our written consent.

If you die and we receive notice within thirty days after your death, we will cover your legal representative as insured.

D. Cancellation

1. You may cancel this policy. You must mail or deliver advance written notice to us stating when the cancellation is to take effect. If certificates of insurance issued by us are in effect, your advance notice to us must be no less than the maximum number of days notice we have agreed to give any one certificate holder when the policy is cancelled.
2. We may cancel this policy for one or more of the following reasons:
   a. non-payment of premium;
   b. failure to report payroll;
   c. failure to permit us to audit payroll as required by the terms of this policy or of a previous policy issued by us;
   d. failure to pay any additional premium resulting from an audit of payroll required by the terms of this policy or any previous policy issued by us;
   e. material misrepresentation made by you or your agent;
   f. failure to cooperate with us in the investigation of a claim;
   g. failure to comply with federal or state safety orders;
   h. failure to comply with written recommendations of our designated loss control representatives;
   i. the occurrence of a material change in the ownership of your business;
   j. the occurrence of any change in your business or operations that materially increases the hazard for frequency or severity of loss;
   k. the occurrence of any change in your business or operations that requires additional or different classification for premium calculation;
   l. the occurrence of any change in your business or operations which contemplates an activity excluded by our reinsurance treaties.
3. If we cancel your policy for any of the reasons listed in Items (a) through (f), we will give you 10 days advance written notice, stating when the cancellation is to take effect. Mailing that notice to you at your mailing address shown in the Declarations will be sufficient to prove notice.
4. If we cancel your policy for any of the reasons listed in Items (g) through (l), we will give you 30 days advance written notice. Mailing that notice to you at your mailing address shown in the Declarations will

be sufficient to prove notice. In the event of cancellation and reissuance of a policy effective upon a material change in ownership or operations, the notice will not be provided.

5. The policy period will end on the day and hour stated in the cancellation notice.

6. Any of these provisions that conflict with a law that controls the cancellation of the insurance in this policy is changed by this statement to comply with that law.

E. Our Notice To You

Mailing documents to you that relate to this policy at the mailing address shown in the Declarations will be sufficient to prove notice.

F. Participating Provision-Dividends

You will be entitled to participate in any dividend plan applicable to this policy which may be approved for distribution by our Board of Directors, with the following exceptions:

You will not be allowed to participate if:

1. you fail to pay any part of the premium for this policy after we request payment in writing, or allow it to remain unpaid for 90 days after we mail a statement of premium to you at the mailing address shown in the Declarations;

2. you do not keep adequate records of information needed to compute premium, or do not provide them to us when we ask for them; or

3. we must bring suit against you to obtain the records necessary for us to compute premium or to enforce the collection of all or any part of the premium for this policy.

Your participation will be according to the rules adopted by our Board of Directors.

Under California law it is unlawful for an insurer to promise the future payment of dividends under an unexpired workers' compensation policy or to misrepresent the conditions for dividend payment. Dividends are payable only pursuant to conditions determined by our Board of Directors or other governing board following policy expiration.

To be valid this policy must be signed by our President or Executive Vice President and countersigned by our authorized representative.

Countersigned and Issued at San Francisco, California.

Kenneth R. Van Laar
Authorized Representative

Thomas E. Rowe
President & CEO

STATE FUND

eFORM L (Rev. 01/12)

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EXHIBIT 3

9063211-13

STATE FUND

06-09-2013

TERMS OF INSURANCE

VANESSA ZAMORA
R I C INS GENERAL AGENCY INC
2844 CLEVELAND AVE STE 100
SANTA ROSA CA 95403

Dear VANESSA ZAMORA:

Thank you for the opportunity to provide a quote for Resourceful Developments, Inc.

This letter and the attached quote dated 06-09-2013 provide the terms under which State Fund can offer a workers' compensation policy. These terms are based upon the information provided to State Fund on the ACORD form and supplemental documentation.

Four (4) payments, each in the amount of $447.75, will be collected for the policy term. The first payment is required, in addition to the deposit, to incept the policy. The remainder of the payments will be due on day 14 of every third month, beginning in August. Failure to pay on time may result in cancellation or nonrenewal of your policy.

The minimum premium is **$918.00 and is not subject to proration or refund.**

Special coverage terms are as follows:

Endorsement 1600 Corporate Officers and Directors Excluded

JUDSON, RICHARD	President/Secretary
SHAPIRO, CHANEY	Treasurer

This quote is based on your intent to exclude from coverage the officers/directors named on the enclosed Exclusion Letter. Please complete the exclusion letter and return it to us along with the signed Terms of Insurance Letter. Failure to return the Exclusion Letter will result in an additional premium charge.

Daily time cards must be maintained to include employees' names, dates, hours and times worked (starting and ending times), and work performed. These time cards, along with the employee earnings records, are necessary to determine if the employees' hourly wages qualify for the high-wage classification. If proper time cards are not maintained and made available at the time of audit, wages must be assigned to the low-wage classification.

PLEASE PAY THIS AMOUNT (deposit premium and mandatory assessment(s), plus first payment if applicable): $1,071.75

[redacted]

California workers' compensation insurance provides coverage for workers' compensation losses related to acts of terrorism. You should know that effective November 26, 2002, any losses caused by certified acts of terrorism would be partially reimbursed by the United States under a formula established by federal law. Under this formula, the United States pays 85% of covered terrorism losses exceeding the statutorily established deductible paid by the insurance company providing the coverage. There is currently no charge in State Compensation Insurance Fund rates related to the risk of loss due to terrorism.

All California policies are subject to surcharges mandated by California law in amounts approved by the Department of Industrial Relations. This quote reflects the currently published surcharges and amounts. If new surcharges or rates applicable to this policy are published by the Department of Industrial Relations, they will be applied to your policy and reflected in your premium billing statement.

The Workers' Compensation Insurance Rating Bureau (WCIRB) periodically makes updates to classification descriptions and wage thresholds. This quote reflects rules in effect at the time of quoting. Subsequent published updates to these WCIRB-mandated rules may apply to your policy. Any WCIRB update that affects the pricing of the policy will be reflected in your premium billing statement.

Insurance will be made effective at 12:01 A.M. Pacific Time the day following receipt by State Fund of this signed letter and the check for the above amount, unless a later date is requested.

This quote expires on 07-03-2013 . (If this date falls on a legal holiday, payment is due the following business day.) If we do not receive this signed Terms of Insurance Letter and the required payment by the expiration date, and you still require insurance, you will need to reapply for insurance, and a new quote will be issued.

We look forward to servicing your workers' compensation needs.

TERMS SUMMARY

Proposed Effective Date	06-04-2013
Proposed Expiration Date	06-04-2014
Anniversary Rating Date	
Payroll Reporting Frequency	Semi-Annually
Premium Billing Frequency	Quarterly
Minimum Premium	$616.00
Estimated Annual Premium	$1,791.00
Initial Payment Required	$1,071.75
Required Forms	See Terms of Insurance - Special Coverage Terms
Excluded Individuals	Chaney Shapiro, Richard Judson
Officers Covered	N/A
Volunteers Covered	N/A
Employer's Liability Limit	$1,000,000.00
Endorsements	1600

Employer	Resourceful Developments, Inc
Employer DBA	Resourceful Developments, Inc
Quote ID	400095848 B

Blake McCurdy
State Fund Representative

Date

Acceptance
I accept the above terms:

Broker/Agent Signature | 102492 Agency No. | 6/27/2013 Date

Employer Signature | Pres Title | 6.26.13 Date

EXHIBIT 4

IMPORTANT - THIS IS NOT A BILL. SEND NO MONEY UNLESS STATEMENT IS ENCLOSED.

STATE COMPENSATION INSURANCE FUND

HOME OFFICE SAN FRANCISCO

POLICY DECLARATIONS

CALIFORNIA WORKERS' COMPENSATION AND EMPLOYER'S LIABILITY POLICY
THESE DECLARATIONS ARE A PART OF THE WORKERS' COMPENSATION POLICY INDICATED HEREON.

THIS INSURANCE IS EFFECTIVE FROM
12:01 A.M., PACIFIC STANDARD TIME
6-28-13 TO 6-28-14 AND SHALL
AUTOMATICALLY RENEW EACH 6-28
UNTIL CANCELLED

CONTINUOUS POLICY 9063211-13

RESOURCEFUL DEVELOPMENTS, INC

1631 LANDA ST
LOS ANGELES, CALIF 90026

DEPOSIT PREMIUM $537.00

MINIMUM PREMIUM $915.00
PREMIUM ADJUSTMENT PERIOD QUARTERLY
N SC

NAME OF EMPLOYER- RESOURCEFUL DEVELOPMENTS, INC
(A CORPORATION)

TRADE NAMES- RESOURCEFUL DEVELOPMENTS, INC

LOCATIONS- 001 1631 LANDA ST
LOS ANGELES CA 90026

1. WORKERS' COMPENSATION INSURANCE - PART ONE OF THIS POLICY APPLIES TO THE WORKERS' COMPENSATION LAWS OF THE STATE OF CALIFORNIA.

2. EMPLOYER'S LIABILITY INSURANCE - PART TWO OF THIS POLICY APPLIES TO LIABILITY UNDER THE LAWS OF THE STATE OF CALIFORNIA. THE LIMIT OF OUR LIABILITY INCLUDING DEFENSE COSTS UNDER PART TWO IS,

$1,000,000

CODE NO. PRINCIPAL WORK AND RATES EFFECTIVE FROM 06-28-13 TO 06-28-14

CODE NO.	PRINCIPAL WORK AND RATES EFFECTIVE FROM 06-28-13 TO 06-28-14	PREMIUM BASIS	BASE RATE	INTERIM BILLING RATE*
5403-1	CARPENTRY--INCLUDING THE INSTALLATION OF INTERIOR TRIM, BUILDERS FINISH, DOORS AND CABINET WORK IN CONNECTION THEREWITH--EMPLOYEES WHOSE REGULAR HOURLY WAGE DOES NOT EQUAL OR EXCEED $29.00 PER HOUR--N.O.C.	5000	34.87	35.81
5432-1	CARPENTRY--INCLUDING THE INSTALLATION OF INTERIOR TRIM, BUILDERS FINISH, DOORS AND CABINET WORK IN CONNECTION THEREWITH--EMPLOYEES WHOSE REGULAR	0	15.01	15.42

TOTAL ESTIMATED ANNUAL PREMIUM $1,791

COUNTERSIGNED AND ISSUED AT SAN FRANCISCO JULY 2, 2013

(OVER PLEASE)

STATE COMPENSATION INSURANCE FUND

IMPORTANT - THIS IS NOT A BILL. SEND NO MONEY UNLESS STATEMENT IS ENCLOSED.

HOME OFFICE SAN FRANCISCO	POLICY DECLARATIONS

CALIFORNIA WORKERS' COMPENSATION AND EMPLOYER'S LIABILITY POLICY
THESE DECLARATIONS ARE A PART OF THE WORKERS' COMPENSATION POLICY INDICATED HEREON.

CONTINUOUS POLICY9063211-13

	PREMIUM BASIS	BASE RATE	INTERIM BILLING RATE*

HOURLY WAGE EQUALS OR EXCEEDS $29.00
PER HOUR--N.O.C.

ASSIGNMENT OF THIS CLASSIFICATION IS
SUBJECT TO VERIFICATION AT THE TIME OF
FINAL AUDIT THAT THE EMPLOYEE'S REGULAR
HOURLY WAGE EQUALS OR EXCEEDS $29.00
PER HOUR. THE PAYROLL OF AN EMPLOYEE
WHOSE REGULAR HOURLY WAGE IS NOT SHOWN
TO EQUAL OR EXCEED $29.00 PER HOUR
SHALL BE CLASSIFIED AS 5403,
"CARPENTRY".

********BUREAU NOTE INFORMATION********

JUDSON, RICHARD PRES,SEC 50.00%
SHAPIRO, CHANEY TREASURER 50.00%

FEIN 276090467

STATE COMPENSATION INSURANCE FUND

IMPORTANT - THIS IS NOT A BILL. SEND NO MONEY UNLESS STATEMENT IS ENCLOSED.

HOME OFFICE SAN FRANCISCO	POLICY DECLARATIONS
CALIFORNIA WORKERS' COMPENSATION AND EMPLOYER'S LIABILITY POLICY THESE DECLARATIONS ARE A PART OF THE WORKERS' COMPENSATION POLICY INDICATED HEREON.	

CONTINUOUS POLICY 9063211-13

* INTERIM BILLING RATES WILL BE USED ON PAYROLL REPORTS. THEY TAKE INTO ACCOUNT RATING PLAN CREDITS (OR DEBITS) WHICH WILL APPLY AT FINAL BILLING AND AN ESTIMATE OF YOUR PREMIUM DISCOUNT AS DETAILED BELOW.

RATING PLAN CREDITS (DEBITS) EFFECTIVE FROM 06-28-13 TO 06-28-14

RATING PLAN MODIFIER	1.02708
ESTIMATED PREMIUM DISCOUNT MODIFIER	1.00000
COMPOSITE FACTOR APPLIED TO BASE RATES TO DERIVE INTERIM BILLING RATES	1.02708

PREMIUM DISCOUNT SCHEDULE EFFECTIVE FROM 06-28-13 TO 06-28-14

* ESTIMATED MODIFIED PREMIUM IS DISCOUNTED ACCORDING TO THE FOLLOWING SCHEDULE:

FIRST	ABOVE
$5,000	$5,000
0.0%	11.3%

THE ESTIMATED PREMIUM DISCOUNT IS BASED ON AN ESTIMATE OF YOUR PAYROLL. ACTUAL PREMIUM DISCOUNT APPLIED AT FINAL BILLING WILL BE BASED ON THE ACTUAL PAYROLL REPORTED ON YOUR POLICY AND SUBJECT TO AUDIT.

STATE COMPENSATION INSURANCE FUND

IMPORTANT - THIS IS NOT A BILL. SEND NO MONEY UNLESS STATEMENT IS ENCLOSED.

HOME OFFICE SAN FRANCISCO	POLICY DECLARATIONS

CALIFORNIA WORKERS' COMPENSATION AND EMPLOYER'S LIABILITY POLICY
THESE DECLARATIONS ARE A PART OF THE WORKERS' COMPENSATION POLICY INDICATED HEREON.

CONTINUOUS POLICY 9063211-13

Nothing herein contained shall be held to vary, alter, waive or extend any of the terms, conditions agreements or limitations of the Policy other than as herein stated.

When countersigned by a duly authorized officer or representative of the State Compensation Insurance Fund, these declarations shall be valid and form part of the Policy.

AUTHORIZED REPRESENTATIVE

PRESIDENT AND CEO

SCIF FORM 10001A (REV.1-2012)

EXHIBIT 5

POLICYHOLDER NOTICE

YOUR RIGHT TO RATING AND DIVIDEND INFORMATION

PN 04 99 01D (Ed. 01-11)

POLICY NO. 9063211-13
NR SC

RESOURCEFUL DEVELOPMENTS, INC
1631 LANDA ST
LOS ANGELES, CALIF 90026

I. **Information Available to You.**

A. **Information Available from Us** - State Compensation Insurance Fund

(1) General questions regarding your policy should be directed to the Customer Service Center, State Fund, 1020 Vaquero Circle, Vacaville, CA 95688 or call us toll free at 877-405-4545.

(2) **Dividend Calculation.** If this is a participating policy (a policy on which a dividend may be paid), upon payment or non-payment of a dividend, we shall provide a written explanation to you that sets forth the basis of the dividend calculation. The explanation will be in clear, understandable language and will express the dividend as a dollar amount and as a percentage of the earned premium for the policy year on which the dividend is calculated.

(3) **Claims Information.** Pursuant to Sections 3761 and 3762 of the California Labor Code, you are entitled to receive information in our claim files that affects your premium. Copies of documents will be supplied at your expense during reasonable business hours.

For claims covered under this policy, we will estimate the ultimate cost of unsettled claims for statistical purposes eighteen months after the policy becomes effective and will report those estimates to the Workers' Compensation Insurance Rating Bureau of California (WCIRB) no later than twenty months after the policy becomes effective. The cost of any settled claims will also be reported at that time. At twelve-month intervals thereafter, we will update and report to the WCIRB the estimated cost of any unsettled claims and the actual final cost of any claims settled in the interim. The amounts we report will be used by the WCIRB to compute your experience modification if you are eligible for experience rating.

B. **Information Available from the Workers' Compensation Insurance Rating Bureau of California**

(1) The WCIRB is a licensed rating organization and the California Insurance Commissioner's designated statistical agent. As such, the WCIRB is responsible for administering the *California Workers' Compensation Uniform Statistical Reporting Plan--1995* (USRP) and the *California Workers' Compensation Experience Rating Plan--1995* (ERP). Contact information for the WCIRB is: WCIRB, 525 Market Street, Suite 800, San Francisco, California 94105-2767, Attention: Customer Service. You may also contact WCIRB Customer Service at 1-888-229-2472, by fax at 415-778-7272, or via the Internet at the WCIRB's website: http://www.wcirbonline.org. The regulations contained in the USRP and the ERP are available for public viewing through the WCIRB's website.

(2) **Policyholder Information.** Pursuant to California Insurance Code (CIC) Section 11752.6, upon written request, you are entitled to information relating to loss experience, claims, classification assignments, and policy contracts as well as rating plans, rating systems, manual rules, or other information impacting your premium that is maintained in the records of the WCIRB. Complaints and Requests for Action requesting policyholder information should be forwarded to: WCIRB, 525 Market Street, Suite 800, San Francisco, California 94105-2767, Attention: Custodian of Records. The Custodian of Records can be reached by telephone at 415-777-0777 and by fax at 415-778-7272.

POLICYHOLDER NOTICE
Your Right to Rating and Dividend Information

POLICY NO. 9063211-13
NR SC

(3) **Experience Rating Form.** Each experience rated risk may receive a single copy of its current Experience Rating Form free of charge by completing a Policyholder Rate Sheet Request Form on the WCIRB's website at http://wcirbonline.org/ratesheet. The Experience Rating Form will include a Loss-Free Rating, which is the experience modification that would have been calculated if $0 (zero) actual losses were incurred during the experience period. This hypothetical rating calculation is provided for informational purposes only.

II. Dispute Process

You may dispute our actions or the actions of the WCIRB pursuant to CIC Sections 11737 and 11753.1.

A. Our Dispute Resolution Process.

You may request in writing that we reconsider a change in a classification assignment that results in an increased premium. You may also request, in writing, that we review the manner in which our rating system has been applied in connection with the insurance afforded or offered you. Written requests that we reconsider or review our actions should be forwarded to: State Compensation Insurance Fund, Attention: Manager, Customer Assistance Program, 5860 Owens Drive, Pleasanton, CA 94588 or call us at 925-460-6530 or fax us at 925-460-6633.

B. Disputing the Actions of the WCIRB.

If you have been aggrieved by any decision, action, or omission to act of the WCIRB, you may request, in writing, that the WCIRB reconsider its decision, action, or omission to act. You may also request, in writing, that the WCIRB review the manner in which its rating system has been applied in connection with the insurance afforded or offered you. For requests related to classification disputes, the reporting of experience, or coverage issues, your initial request for review must be received by the WCIRB within 12 months after the expiration date of the policy to which the request for review pertains, except if the request involves the application of the Revision of Losses rule. For requests related to your experience modificaton, your initial request for review must be received by the WCIRB within 6 months after the issuance, or 12 months after the expiration date, of the experience modification to which the request for review pertains, whichever is later, except if the request for review involves the application of the Revision of Losses rule. If the request involves the Revision of Losses rule, the time to state your appeal may be longer. (See Section VI, Rule 14 of the ERP).

You may commence the review process by sending the WCIRB a written inquiry. Written inquiries should be sent to: WCIRB, 525 Market Street, Suite 800, San Francisco, California 94105-2767, Attention: Customer Service. Customer Service can be reached by telephone at 1-888-229-2472, and by fax at 415-778-7272.

If you are dissatisfied with the WCIRB's decision upon an inquiry, or if the WCIRB fails to respond within 90 days after receipt of the inquiry, you may pursue the subject of the inquiry by sending the WCIRB a written Complaint and Request for Action. After you send your Complaint and Request for Action, the WCIRB has 30 days to send you written notice indicating whether or not your written request will be reviewed. If the WCIRB agrees to review your request, it must conduct the review and issue a decision granting or rejecting your request within 60 days after sending you the written notice granting review. If the WCIRB declines to review your request, if you are dissatisfied with the decision upon review, or if the WCIRB fails to grant or reject your request or issue a decision upon review, you may appeal to the Insurance commissioner as described in paragraph II.C., below. Written Complaints and Requests for Action should be forwarded to: WCIRB, 525 Market Street, Suite 800, San Francisco, California 94105-2767, Attention: Complaints and Reconsiderations. The WCIRB's telephone number is 1-888-229-2472, and the fax number is 415-371-5204.

POLICYHOLDER NOTICE
Your Right to Rating and Dividend Information

POLICY NO. 9063211-13
NR SC

C. **California Department of Insurance - Appeals to the Insurance Commissioner.** If, after you follow the appropriate dispute resolution process described above, we or the WCIRB decline to review your request, if you are dissatisfied with the decision upon review, or if we or the WCIRB fail to grant or reject your request or issue a decision upon review, you may appeal to the insurance commissioner pursuant to CIC Sections 11737, 11752.6, 11753.1 and Title 10, California Code of Regulations, Section 2509.40 et seq. You must file your appeal within 30 days after we or the WCIRB send you the notice rejecting review of your request for reconsideration or the decision upon your request for reconsideration. If no written decision regarding your request is sent, your appeal must be filed within 120 days after you sent your request for reconsideration to us or to the WCIRB. The filing address for all appeals to the insurance commissioner is:

Administrative Hearing Bureau
California Department of Insurance
45 Fremont Street, 22nd Floor
San Francisco, California 94105

You have the right to a hearing before the insurance commissioner, and our action, or the action of the WCIRB, may be affirmed, modified, or reversed.

III. Resources Available to You in Obtaining Information and Pursuing Disputes

A. **Policyholder Ombudsman.** Pursuant to California Insurance Code Section 11752.6, a policyholder ombudsman is available at the WCIRB to assist you in obtaining and evaluating the rating, policy, and claims information referenced in I.A. and I.B., above. The ombudsman may advise you on any dispute with us, the WCIRB, or on an appeal to the insurance commissioner pursuant to Section 11737 of the Insurance Code. The address of the policyholder ombudsman is WCIRB, 525 Market Street, Suite 800, San Francisco, California 94105-2767, Attention: Policyholder Ombudsman. The policyholder ombudsman can be reached by telephone at 415-778-7159 and by fax at 415-371-5288.

B. **California Department of Insurance - Information and Assistance.** Information and assistance on policy questions can be obtained from the Department of Insurance Consumer HOTLINE, 1-800-927-HELP (4357) or http://www.insurance.ca.gov. For questions and correspondence regarding appeals to the Administrative Hearing Bureau, see the contact information in paragraph II.C.

This notice does not change the policy to which it is attached.

EXHIBIT 6

Payroll Solicitations, Bills and Payments

9063211-2013
RESOURCEFUL DEVELOPMENTS, INC
1810 AVALON ST
LOS ANGELES, CA 90026

Inception Date: 06-28-2013
Expiration Date: 06-28-2014
N. A. D.: —

District Office: SC
Cancellation Code: R
Quote ID: 400095848

04-14-2016
4:25 PM

Summary Totals

Collection Problem - Premium Charge-off
* this value contains Uncollected - Premium still due

	Paid	Outstanding	Total	Average Days O/S
Deposit	$0.00	$0.00	$0.00	0
Premium	$2,289.75	$0.00	$2,289.75	0
CIGA	$49.12	$0.00	$49.12	0
WCA/WCFA	$69.53	$0.00	$69.53	0
Total	$2,408.40	$0.00	$2,408.40	n/a

Estimated Annual Premium:	$2,456.00
Final Premium Amount:	$127,048.87
Final Premium + Surcharges Totals:	$133,186.35
Final Premium + Surcharges Paid:	$2,408.40
* Final Premium + Surcharges Difference:	$130,777.95
Billing Status Code:	BILLED FINAL - AUDITED OR P/R- CHARGED OFF

Copyright (c) 2000-2016 State Compensation Insurance Fund.

EXHIBIT 7

STATE COMPENSATION INSURANCE FUND

HOME OFFICE SAN FRANCISCO	ANNUAL RATING ENDORSEMENT

IT IS AGREED THAT THE CLASSIFICATIONS AND RATES PER $100 OF REMUNERATION APPEARING IN THE CONTINUOUS POLICY ISSUED TO THIS EMPLOYER ARE AMENDED AS SHOWN BELOW.

HERE ARE YOUR NEW RATES FOR THE PERIOD INDICATED. IF YOUR NAME OR ADDRESS SHOULD BE CORRECTED OR IF INSURANCE IS NOT NEEDED FOR NEXT YEAR, PLEASE TELL US.

IMPORTANT THIS IS NOT A BILL
SEND NO MONEY UNLESS STATEMENT IS ENCLOSED

THE RATING PERIOD BEGINS AND ENDS AT 12:01AM PACIFIC STANDARD TIME

CONTINUOUS POLICY 9063211-14

RATING PERIOD 6-28-14 TO 6-28-15

RESOURCEFUL DEVELOPMENTS, INC
1810 AVALON ST
LOS ANGELES, CALIF 90026

DEPOSIT PREMIUM $1,145.00
MINIMUM PREMIUM $1,145.00
PREMIUM ADJUSTMENT PERIOD ANNUALLY
R SC

NAME OF EMPLOYER- RESOURCEFUL DEVELOPMENTS, INC
(A CORPORATION)

CODE NO. PRINCIPAL WORK AND RATES EFFECTIVE FROM 06-28-14 TO 06-28-15

		PREMIUM BASIS	BASE RATE	INTERIM BILLING RATE*
5403-1	CARPENTRY	0	36.76	37.76
5432-1	CARPENTRY	0	14.42	14.81
6218-1	EXCAVATION--N.O.C.	0	21.22	21.79
6220-1	EXCAVATION--N.O.C.	0	12.44	12.78

**********BUREAU NOTE INFORMATION**********

FEIN 276090467

TOTAL ESTIMATED ANNUAL PREMIUM $1,145

COUNTERSIGNED AND ISSUED AT SAN FRANCISCO MAY 27, 2014 POLICY 1 PAGE 1 OF 3

SCIF FORM 10003A (REV.1-2012) (OVER PLEASE)

STATE COMPENSATION INSURANCE FUND

HOME OFFICE SAN FRANCISCO	ANNUAL RATING ENDORSEMENT

IT IS AGREED THAT THE CLASSIFICATIONS AND RATES PER $100 OF REMUNERATION APPEARING IN THE CONTINUOUS POLICY ISSUED TO THIS EMPLOYER ARE AMENDED AS SHOWN BELOW.

HERE ARE YOUR NEW RATES FOR THE PERIOD INDICATED. IF YOUR NAME OR ADDRESS SHOULD BE CORRECTED OR IF INSURANCE IS NOT NEEDED FOR NEXT YEAR, PLEASE TELL US.

IMPORTANT THIS IS NOT A BILL
SEND NO MONEY UNLESS STATEMENT IS ENCLOSED

THE RATING PERIOD BEGINS AND ENDS AT 12:01AM PACIFIC STANDARD TIME

CONTINUOUS POLICY 9063211-14

RATING PERIOD 6-28-14 TO 6-28-15

* INTERIM BILLING RATES WILL BE USED ON PAYROLL REPORTS. THEY TAKE INTO ACCOUNT RATING PLAN CREDITS (OR DEBITS) WHICH WILL APPLY AT FINAL BILLING AND AN ESTIMATE OF YOUR PREMIUM DISCOUNT AS DETAILED BELOW.

RATING PLAN CREDITS (DEBITS) EFFECTIVE FROM 06-28-14 TO 06-28-15

RATING PLAN MODIFIER	1.02708
ESTIMATED PREMIUM DISCOUNT MODIFIER	1.00000
COMPOSITE FACTOR APPLIED TO BASE RATES TO DERIVE INTERIM BILLING RATES	1.02708

***

STATE COMPENSATION INSURANCE FUND

HOME OFFICE SAN FRANCISCO	ANNUAL RATING ENDORSEMENT
IT IS AGREED THAT THE CLASSIFICATIONS AND RATES PER $100 OF REMUNERATION APPEARING IN THE CONTINUOUS POLICY ISSUED TO THIS EMPLOYER ARE AMENDED AS SHOWN BELOW.	

CONTINUOUS POLICY 9063211-14

IF YOU HAVE ANY QUESTIONS, PLEASE CONTACT YOUR LOCAL STATE FUND OFFICE BELOW:

CSC - POLICY AT VACAVILLE
1020 VAQUERO CIRCLE
VACAVILLE , CA 95688
(877) 405-4545

Nothing herein contained shall be held to vary, alter, waive or extend any of the terms, conditions agreements or limitations of the Policy other than as herein stated.

When countersigned by a duly authorized officer or representative of the State Compensation Insurance Fund, these declarations shall be valid and form part of the Policy.

AUTHORIZED REPRESENTATIVE

PRESIDENT AND CEO

COUNTERSIGNED AND ISSUED AT SAN FRANCISCO MAY 27, 2014

SCIF FORM 10003A (REV.1-2012)

EXHIBIT 8

STATE COMPENSATION INSURANCE FUND

POLICYHOLDER NOTICE

YOUR RIGHT TO RATING AND DIVIDEND INFORMATION

PN 04 99 01E (Ed. 04-13)

POLICY NO. 9063211-14
NR SC

RESOURCEFUL DEVELOPMENTS, INC
1810 AVALON ST
LOS ANGELES, CALIF 90026

I. Information Available to You.

A. Information Available from Us - State Compensation Insurance Fund

(1) General questions regarding your policy should be directed to:

State Fund, Customer Service Center
1020 Vaquero Circle
Vacaville, CA 95688
Telephone: 888-782-8338

(2) **Dividend Calculation.** If this is a participating policy (a policy on which a dividend may be paid), upon payment or non-payment of a dividend, we shall provide a written explanation to you that sets forth the basis of the dividend calculation. The explanation will be in clear, understandable language and will express the dividend as a dollar amount and as a percentage of the earned premium for the policy year on which the dividend is calculated.

(3) **Claims Information.** Pursuant to Sections 3761 and 3762 of the California Labor Code, you are entitled to receive information in our claim files that affects your premium. Copies of documents will be supplied at your expense during reasonable business hours.

For claims covered under this policy, we will estimate the ultimate cost of unsettled claims for statistical purposes eighteen months after the policy becomes effective and will report those estimates to the Workers' Compensation Insurance Rating Bureau of California (WCIRB) no later than twenty months after the policy becomes effective. The cost of any settled claims will also be reported at that time. At twelve-month intervals thereafter, we will update and report to the WCIRB the estimated cost of any unsettled claims and the actual final cost of any claims settled in the interim. The amounts we report will be used by the WCIRB to compute your experience modification if you are eligible for experience rating.

B. Information Available from the Workers' Compensation Insurance Rating Bureau of California

(1) The WCIRB is a licensed rating organization and the California Insurance Commissioner's designated statistical agent. As such, the WCIRB is responsible for administering the *California Workers' Compensation Uniform Statistical Reporting Plan--1995* (USRP) and the *California Workers' Compensation Experience Rating Plan--1995* (ERP). Contact information for the WCIRB is: WCIRB, 525 Market Street, Suite 800, San Francisco, California 94105-2767, Attention: Customer Service. You may also contact WCIRB Customer Service at 1-888-229-2472, by fax at 415-778-7272, or via the Internet at the WCIRB's website: http://www.wcirb.com. The regulations contained in the USRP and the ERP are available for public viewing through the WCIRB's website.

(2) **Policyholder Information.** Pursuant to California Insurance Code (CIC) Section 11752.6, upon written request, you are entitled to information relating to loss experience, claims, classification assignments, and policy contracts as well as rating plans, rating systems, manual rules, or other information impacting your premium that is maintained in the records of the WCIRB. Complaints and Requests for Action requesting policyholder information should be forwarded to: WCIRB, 525 Market Street, Suite 800, San Francisco, California 94105-2767, Attention: Custodian of Records. The Custodian of Records can be reached by telephone at 415-777-0777 and by fax at 415-778-7272.

POLICYHOLDER NOTICE
Your Right to Rating and Dividend Information

POLICY NO: 9063211-14
NR SC

(3) **Experience Rating Form.** Each experience rated risk may receive a single copy of its current Experience Rating Form free of charge by completing a Policyholder Rate Sheet Request Form on the WCIRB's website at http://wcirb.com/ratesheet. The Experience Rating Form will include a Loss-Free Rating, which is the experience modification that would have been calculated if $0 (zero) actual losses were incurred during the experience period. This hypothetical rating calculation is provided for informational purposes only.

II. Dispute Process

You may dispute our actions or the actions of the WCIRB pursuant to CIC Sections 11737 and 11753.1.

A. Our Dispute Resolution Process.

You may request in writing that we reconsider a change in a classification assignment that results in an increased premium. You may also request, in writing, that we review the manner in which our rating system has been applied in connection with the insurance afforded or offered you. Written requests that we reconsider or review our actions should be forwarded to: State Compensation Insurance Fund, Attention: Manager, Customer Assistance Program, 5880 Owens Drive, Pleasanton, CA 94588 or call us at 925-460-6530 or fax us at 925-460-6633.

B. Disputing the Actions of the WCIRB. If you have been aggrieved by any decision, action, or omission to act of the WCIRB, you may request, in writing, that the WCIRB reconsider its decision, action, or omission to act. You may also request, in writing, that the WCIRB review the manner in which its rating system has been applied in connection with the insurance afforded or offered you. For requests related to classification disputes, the reporting of experience, or coverage issues, your initial request for review must be received by the WCIRB within 12 months after the expiration date of the policy to which the request for review pertains, except if the request involves the application of the Revision of Losses rule. For requests related to your experience modificaton, your initial request for review must be received by the WCIRB within 6 months after the issuance, or 12 months after the expiration date, of the experience modification to which the request for review pertains, whichever is later, except if the request for review involves the application of the Revision of Losses rule. If the request involves the Revision of Losses rule, the time to state your appeal may be longer. (See Section VI, Rule 14 of the ERP).

You may commence the review process by sending the WCIRB a written inquiry. Written inquiries should be sent to: WCIRB, 525 Market Street, Suite 800, San Francisco, California 94105-2767, Attention: Customer Service. Customer Service can be reached by telephone at 1-888-229-2472, and by fax at 415-778-7272.

If you are dissatisfied with the WCIRB's decision upon an inquiry, or if the WCIRB fails to respond within 90 days after receipt of the inquiry, you may pursue the subject of the inquiry by sending the WCIRB a written Complaint and Request for Action. After you send your Complaint and Request for Action, the WCIRB has 30 days to send you written notice indicating whether or not your written request will be reviewed. If the WCIRB agrees to review your request, it must conduct the review and issue a decision granting or rejecting your request within 60 days after sending you the written notice granting review. If the WCIRB declines to review your request, if you are dissatisfied with the decision upon review, or if the WCIRB fails to grant or reject your request or issue a decision upon review, you may appeal to the insurance commissioner as described in paragraph II.C., below. Written Complaints and Requests for Action should be forwarded to: WCIRB, 525 Market Street, Suite 800, San Francisco, California 94105-2767, Attention: Complaints and Reconsiderations. The WCIRB's telephone number is 1-888-229-2472, and the fax number is 415-371-5204.

POLICYHOLDER NOTICE
Your Right to Rating and Dividend Information

POLICY NO. 9063211-14
NR SC

C. **California Department of Insurance - Appeals to the Insurance Commissioner.** If, after you follow the appropriate dispute resolution process described above, we or the WCIRB decline to review your request, if you are dissatisfied with the decision upon review, or if we or the WCIRB fail to grant or reject your request or issue a decision upon review, you may appeal to the insurance commissioner pursuant to CIC Sections 11737, 11752.6, 11753.1 and Title 10, California Code of Regulations, Section 2509.40 et seq. You must file your appeal within 30 days after we or the WCIRB send you the notice rejecting review of your request for reconsideration or the decision upon your request for reconsideration. If no written decision regarding your request is sent, your appeal must be filed within 120 days after you sent your request for reconsideration to us or to the WCIRB. The filing address for all appeals to the insurance commissioner is:

Administrative Hearing Bureau
California Department of Insurance
45 Fremont Street, 22nd Floor
San Francisco, California 94105

You have the right to a hearing before the insurance commissioner, and our action, or the action of the WCIRB, may be affirmed, modified, or reversed.

III. Resources Available to You in Obtaining Information and Pursuing Disputes

A. **Policyholder Ombudsman.** Pursuant to California Insurance Code Section 11752.6, a policyholder ombudsman is available at the WCIRB to assist you in obtaining and evaluating the rating, policy, and claims information referenced in I.A. and I.B., above. The ombudsman may advise you on any dispute with us, the WCIRB, or on an appeal to the insurance commissioner pursuant to Section 11737 of the Insurance Code. The address of the policyholder ombudsman is WCIRB, 525 Market Street, Suite 800, San Francisco, California 94105-2767, Attention: Policyholder Ombudsman. The policyholder ombudsman can be reached by telephone at 415-778-7159 and by fax at 415-371-5288.

B. **California Department of Insurance - Information and Assistance.** Information and assistance on policy questions can be obtained from the Department of Insurance Consumer HOTLINE, 1-800-927-HELP (4357) or http://www.insurance.ca.gov. For questions and correspondence regarding appeals to the Administrative Hearing Bureau, see the contact information in paragraph II.C.

This notice does not change the policy to which it is attached.

EXHIBIT 9

Payroll Solicitations, Bills and Payments

9063211-2014
RESOURCEFUL DEVELOPMENTS, INC
1810 AVALON ST
LOS ANGELES, CA 90026

Inception Date: 06-28-2014
Expiration Date: 09-11-2014
N. A. D.: —

District Office: NA
Cancellation Code: Q
Quote ID: 600961880

04-14-2016
4:25 PM

Summary Totals

Collection Problem - Premium Charge-off
* this value contains Uncollected - Premium still due

	Paid	Outstanding	Total	Average Days O/S
Deposit	$0.00	$0.00	$0.00	0
Premium	$1,145.00	$0.00	$1,145.00	0
CIGA	$25.76	$0.00	$25.76	0
WCA/WCFA	$25.54	$0.00	$25.54	0
Total	$1,196.30	$0.00	$1,196.30	n/a

Estimated Annual Premium:	$1,145.00
Final Premium Amount:	$44,731.73
Final Premium + Surcharges Totals:	$46,735.84
Final Premium + Surcharges Paid:	$1,196.30
* Final Premium + Surcharges Difference:	$45,539.54
Billing Status Code:	BILLED FINAL - AUDITED OR P/R- CHARGED OFF

Copyright (c) 2000-2016 State Compensation Insurance Fund.

EXHIBIT 10

STATE COMPENSATION INSURANCE FUND

5880 OWENS DR
PLEASANTON, CA 94588

WORKERS' COMPENSATION INSURANCE

NOTICE OF CANCELLATION

Date August 26, 2014 Policy No. 9063211-14

RESOURCEFUL DEVELOPMENTS, INC
1810 AVALON ST
LOS ANGELES, CA 90026

INSURANCE CANCELLED EFFECTIVE 09/11/14 @ 12:01 A.M.

Reason:
Failure to allow audit of payroll as required by policy terms.

To stop this cancellation and avoid a lapse in coverage you must allow a State Compensation Insurance Fund representative to complete a full audit of your payroll records prior to September 11, 2014

If you have any questions, please contact State Compensation Insurance Fund during normal business hours at (888) 782-8338.

Thank you for your prompt attention to this matter.

Sincerely,

Credit Manager
State Compensation Insurance Fund

Cc: Broker of record

EXHIBIT 11

STATE COMPENSATION INSURANCE FUND

December 4, 2014

Policy #: 9063211-2013 and 9063211-2014

Resourceful Developments
Rebecca Rinot
Sent via email cheneyshapiro@hotmail.com and rrinot@gmail.com

Dear Policyholder,

A payroll audit must be completed for the period **06/28/2013 to 06/28/2014 and 06/28/2014 to 09/11/2014.** This audit will be conducted via fax, email, regular mail. Please fax, email or mail the following records to the contact information shown below.

Prepare the following payroll records and information, based on check dates within the policy period.

Please forward the following records which <u>are required</u> to complete the audit:

- Payroll records (registers; journals; earnings cards; etc).
- Payroll, Overtime and Section 125 Cafeteria Plan (if any) must be summarized by Month, Quarter, or Policy Period for each Classification Code.
- State tax reports (EDD: DE9 and DE-9C)
- If Waiver of Subrogation or and Owner Controlled Insurance Policy (OCIP) were endorsed on your policy, please provide the payroll records associated with these endorsements.

The following records <u>may be required</u> to complete the audit and must be sent to the auditor when requested:

- Federal tax reports & schedules (941s/940; 1099s/1096; W2s/W3; schedule C, K, E, F, etc)
- Check register, including copies of <u>all</u> canceled checks written against the account in numerical order.
- Bank Statements
- Cash disbursements journal
- General Ledger

For <u>all Construction policies</u> we require these <u>additional records</u>:

- Employee time cards with daily start/stop times necessary to validate the use of a high wage classification. (and/or division of payroll between multiple construction classes)
- If Independent Contractors and/or Sub Contractors were used, provide Contractors State License Board (CSLB) number with expiration date for all contractors. If no CSLB#, provide name, amount paid, date, & work performed. *(You may check licenses at <u>www.cslb.ca.gov</u>).*

In sending this information by e-mail or fax, please use the format shown in this example on the Subject line:
Subject: Rewrite, Your Policy Name, Your Policy Number

Once we receive the payroll information, it will be assigned to an auditor to complete the audit. You may be contacted by the assigned auditor if additional information is needed. The audit will have to be processed to generate a final premium statement. Any outstanding premium needs to be paid.

State Compensation Insurance Fund
Premium Audit Department-Rewrite Audit Unit
PO Box 8192 Pleasanton, CA 94588
RAudit@scif.com – Phone/Fax: 916-567-4882

EXHIBIT 12

STATE COMPENSATION INSURANCE FUND

P.O. BOX 7441
SAN FRANCISCO, CA
94120-7441

AMOUNT DUE
$130,777.95

DUE DATE
03/20/15

AMOUNT ENCLOSED

10000990632111301000031015380000000013077795111

03/10/15 3 A B

RESOURCEFUL DEVELOPMENTS, INC

1810 AVALON ST
LOS ANGELES, CA 90026

GROUP 0
POLICY/UNIT 9063211 - 13 1

SC N 4

CHECK BOX AT LEFT FOR ADDRESS CHANGE
ADDRESS
CITY, STATE ZIP

Paying by check? Detach and return top portion of bill with your payment.

REPORT/AUDIT PERIOD FROM	TO	CODE	STANDARD CLASSIFICATION	PAYROLL	RATE	PREMIUM
6/28/13	6/28/14	5027-1	MASONRY<$27HR	8099.00	25.13	2,035.28
6/28/13	6/28/14	5107-1	DOOR FRAME/WINDOW INSTALL	20628.00	17.26	3,560.39
6/28/13	6/28/14	5146-1	CABINET/FIXTURES PORTABLE	2544.00	16.89	429.68
6/28/13	6/28/14	5183-1	PLUMBING/SHOP-OUT<$24HR	62222.00	17.48	10,876.41
6/28/13	6/28/14	5190-1	ELECTRICAL WIRING<$28HR	50751.00	13.29	6,744.81
6/28/13	6/28/14	5225-1	REINFORCING STEEL INSTALL	4095.00	26.80	1,097.46
6/28/13	6/28/14	5348-1	TILE/STONE/MOSAIC WORK	30897.00	14.59	4,507.87
6/28/13	6/28/14	5403-1	CARPENTRY<$29HR	196406.00	34.87	68,486.77
6/28/13	6/28/14	5436-1	HARDWOOD FLOOR LAYING	55205.00	14.27	7,877.75
6/28/13	6/28/14	5446-1	WALLBOARD APPLIC<$31HR	60968.00	18.72	11,413.21
6/28/13	6/28/14	5474-1	PAINTING, DECOR, PAPER<$24HR	75362.00	23.59	17,777.90
6/28/13	6/28/14	5484-1	PLASTER/STUCCO WORK<$25HR	2325.00	35.04	814.68
6/28/13	6/28/14	5538-1	SHEET METAL WORK<$25HR	16325.00	18.78	3,065.84
6/28/13	6/28/14	8810-1	CLERICAL OFFICE EMPLOYEES	14146.00	1.06	149.95
			TOTAL BASE PREMIUM			138,838.00
			RATING PLAN MODIFIER APPLIED	1.02708		142,597.73

PREVIOUS BILLS NOT PAID

PLEASE DISREGARD IF PAYMENT HAS BEEN MADE.

→

STATE COMPENSATION INSURANCE FUND P.O. BOX 7441 SAN FRANCISCO, CA 94120-7441

See the back for important payment instructions.

6221 (REV. 12-13)

STATE COMPENSATION INSURANCE FUND

P.O. BOX 7441
SAN FRANCISCO, CA
94120-7441

AMOUNT DUE
$130,777.95

DUE DATE
03/20/15

AMOUNT ENCLOSED

10000990632411301000031015380000000013077795111

03/10/15 3 A B

GROUP D

POLICY/UNIT 9063211 - 13 1

SC N 4

RESOURCEFUL DEVELOPMENTS, INC

1810 AVALON ST
LOS ANGELES, CA 90026

CHECK BOX AT LEFT FOR ADDRESS CHANGE
ADDRESS
CITY, STATE ZIP

Paying by check? Detach and return top portion of bill with your payment.

REPORT/AUDIT PERIOD FROM	TO	CODE	STANDARD CLASSIFICATION	PAYROLL	RATE	PREMIUM
			PREMIUM DISCOUNT MODIFIER APPLIED		.89096	127,048.87
			TOTAL PREMIUM FOR 6/28/13 - 6/28/14			127,048.87
			PAID THIS POLICY TERM			2,289.75CR

A COPY OF THIS BILL HAS BEEN SENT TO THE BROKER LISTED ON YOUR POLICY 124,759.12
N/R

PREVIOUS BILLS NOT PAID

CIGA SURCHARGE 2.0000% OF	127,048.87 LESS	49.12	=	2,491.86
OSHF(.28590%) + LEC (.27470%) = .56060% OF		127,048.87 LESS	0.00 =	712.24
UEBT(.34100%) + SIBT (.17070%) = .51170% OF		127,048.87 LESS	0.00 =	650.11
WCA (1.37040%) + WCFA (.38810%) = 1.75850% OF		127,048.87		
LESS PREVIOUSLY PAID WCA/WCFA SURCHARGE		69.53	=	2,164.62

PLEASE DISREGARD IF PAYMENT HAS BEEN MADE.

3R 737 9063211-13 PAY THIS AMOUNT → $130,777.95

STATE COMPENSATION INSURANCE FUND P.O. BOX 7441 SAN FRANCISCO, CA 94120-7441

See the back for important payment instructions.

0221 (REV. 12-13)

EXHIBIT 13

STATE COMPENSATION INSURANCE FUND

P.O. BOX 7441
SAN FRANCISCO, CA
94120-7441

AMOUNT DUE
$45,539.54

DUE DATE
03/23/15

AMOUNT ENCLOSED

10000990632111409000031215340000000004553954112

03/12/15 3 A 4

RESOURCEFUL DEVELOPMENTS, INC

1810 AVALON ST
LOS ANGELES, CA 90026

GROUP 0
POLICY/UNIT 9063211 - 14 0 9

NA R 1

CHECK BOX AT LEFT FOR ADDRESS CHANGE
ADDRESS
CITY, STATE ZIP

Paying by check? Detach and return top portion of bill with your payment.

REPORT/AUDIT PERIOD FROM	TO	CODE	STANDARD CLASSIFICATION	PAYROLL	RATE	PREMIUM
6/28/14	9/11/14	5107-1	DOOR FRAME/WINDOW INSTALL	7380.00	18.66	1,377.11
6/28/14	9/11/14	5183-1	PLUMBING/SHOP-OUT<$26HR	7205.00	19.32	1,392.01
6/28/14	9/11/14	5190-1	ELECTRICAL WIRING<$30HR	12147.00	13.46	1,634.99
6/28/14	9/11/14	5348-1	TILE/STONE/MOSAIC WORK	15175.00	15.23	2,311.15
6/28/14	9/11/14	5403-1	CARPENTRY<$29HR	98044.00	36.76	36,040.97
6/28/14	9/11/14	5446-1	WALLBOARD APPLIC<$31HR	17110.00	21.13	3,615.34
6/28/14	9/11/14	5474-1	PAINTING, DECOR, PAPER<$24HR	10350.00	25.07	2,594.75
6/28/14	9/11/14	8810-1	CLERICAL OFFICE EMPLOYEES	666.00	1.03	6.86
			TOTAL BASE PREMIUM			48,973.18
			RATING PLAN MODIFIER APPLIED	1.02708		50,299.37
			PREMIUM DISCOUNT MODIFIER APPLIED	.88931		44,731.73
			TOTAL PREMIUM FOR 6/28/14 - 9/11/14			44,731.73

PREVIOUS BILLS NOT PAID.

PLEASE DISREGARD IF PAYMENT HAS BEEN MADE.

→

STATE COMPENSATION INSURANCE FUND P.O. BOX 7441 SAN FRANCISCO, CA 94120-7441

See the back for important payment instructions.

8221 (REV. 12-13)

STATE COMPENSATION INSURANCE FUND

P.O. BOX 7441
SAN FRANCISCO, CA
94120-7441

AMOUNT DUE
$45,539.54

DUE DATE
03/23/15

AMOUNT ENCLOSED

10000990632111409000031215340000000004553954112

03/12/15 3 A 4

GROUP 0

POLICY/UNIT 9063211 - 14 Q 9

NA R 1

RESOURCEFUL DEVELOPMENTS, INC

1810 AVALON ST
LOS ANGELES, CA 90026

CHECK BOX AT LEFT FOR ADDRESS CHANGE
ADDRESS
CITY, STATE ZIP

Paying by check? Detach and return top portion of bill with your payment.

REPORT/AUDIT PERIOD FROM	TO	CODE	STANDARD CLASSIFICATION	PAYROLL	RATE	PREMIUM
			PAID THIS POLICY TERM			1,145.00CR
			A COPY OF THIS BILL HAS BEEN SENT TO THE BROKER LISTED ON YOUR POLICY N/R			43,586.73

PREVIOUS BILLS NOT PAID

CIGA SURCHARGE 2.2500% OF	44,731.73 LESS	25.76	=	980.70	
OSHF(.21660%) + LEC (.24520%) = .46180% OF	44,731.73 LESS	0.00	=	206.57	
UEBT(.16090%) + SIBT (.12910%) = .28940% OF	44,731.73 LESS	0.00	=	129.45	
WCA (1.22470%) + WCFA (.25440%) = 1.47910% OF	44,731.73				
LESS PREVIOUSLY PAID WCA/WCFA SURCHARGE		25.54	=	636.09	

PLEASE DISREGARD IF PAYMENT HAS BEEN MADE.

3R 1145 9063211-14 PAY THIS AMOUNT → $45,539.54

STATE COMPENSATION INSURANCE FUND
P.O. BOX 7441
SAN FRANCISCO, CA 94120-7441

See the back for important payment instructions.

0221 (REV. 12-13)

EXHIBIT 14

STATE COMPENSATION INSURANCE FUND

IN REPLY REFER TO:

5/18/2015

POLICY # 9063211-13/14
CANCELLED 9-11-2014

RESOURCEFUL DEVELOPMENTS, INC
1810 AVALON ST
LOS ANGELES, CA 90026

DEAR POLICYHOLDER:

YOU STILL HAVE NOT MADE YOUR PAYMENT ON YOUR OUTSTANDING BALANCE OF $ 176,317.49. IF YOU IGNORE THIS WARNING, YOUR POLICY WILL BE SENT TO A COLLECTION AGENCY WITHIN 14 DAYS FROM THE DATE OF THIS LETTER FOR POSSIBLE LEGAL ACTION.

THE FOLLOWING BILL(S) ARE CURRENTLY OUTSTANDING.

POLICY YEAR	BILL DATE	OUTSTANDING
2013	3/10/2015	$ 130,777.95
2014	3/12/2015	$ 45,539.54

PAYMENTS MAY BE MADE ONLINE AT WWW.STATEFUNDCA.COM USING DEBIT, MASTERCARD, VISA, AMERICAN EXPRESS, OR E-CHECK. YOU MAY ALSO USE THE ENCLOSED ENVELOPE TO MAIL PAYMENT. IMMEDIATE ACTION IS NEEDED TO AVOID FURTHER COLLECTIONS ACTION. IF YOU HAVE ANY QUESTIONS REGARDING THIS MATTER, PLEASE CALL.

IF WE DO NOT RECEIVE PAYMENT OR HEAR FROM YOU WITHIN 14 DAYS, WE WILL HAVE NO ALTERNATIVE BUT TO SEND YOUR ACCOUNT TO A COLLECTION AGENCY FOR POSSIBLE LEGAL ACTION.

SINCERELY,

COLLECTIONS UNIT
(855) 301-1212

ENC.
NA

Overnight Mail: State Compensation Insurance Fund Dept # 107441
3440 Walnut Ave, Bldg A, Window H
Fremont, CA 94538

Mailing Address: P.O. Box 7441 – San Francisco, CA 94120-7441

EXHIBIT 15

August 6, 2015

Attention: Cheney Shapiro
Resourceful Developments, Inc
1810 Avalon St
Los Angeles, CA 90026

Policy No.: 9063211-2013
Policy Dates: 06/28/2013 to 06/28/2014
Bill Date: 03/10/2015
Bill Amount: $130,777.95

Dear Policyholder,

This letter acknowledges receipt of your audit dispute notification dated July 8, 2015.

The following additional information is required to complete the review and determine the outcome:

1) In writing, please explain clearly the specific dollar amount of remuneration/payroll you are disputing, and please indicate which specific workers' compensation classification code(s) you feel are correct and break that out for us by the specific dollar amount of remuneration/payroll for each of your employees that you are disputing assignment of payroll for.

2) Copies of your original employee time sheets for the entire audit period (only for each of your employees that you are disputing the assignment of payroll for).

3) Check copies (reflecting when employees were paid by you) that correspond with/tie to each and every one of the employee time sheets for the entire audit period (only for each of your employees that you are disputing the assignment of payroll for).

If the necessary information is not received by the due date noted below, your audit dispute may be denied and the bill associated with the audit in question will remain due and payable.

If you have any questions or concerns, please don't hesitate to contact me.

Due date: August 17, 2015. **Using any of the means listed below, please respond to:**

Attn: Robert F Marchetti
Fax (559) 433-3848
Email rfmarchetti@scif.com
Mail State Compensation Insurance Fund
P.O. Box 8192
Pleasanton, CA 94588

Sincerely,

Robert F Marchetti
Senior Premium Auditor – Audit Operations Unit
Phone (559) 392-6645

Enc:

[redacted]

STATE COMPENSATION INSURANCE FUND

cc: Policy File
Broker R I C INS GENERAL AGENCY INC, PO BOX 12279,SANTA ROSA,CA,95406
Assistant Audit Manager

EXHIBIT 16

September 21, 2015

Attention: Cheney Shapiro
Resourceful Developments, Inc
1810 Avalon St
Los Angeles, CA 90026

Policy No.: 9063211-2013
Policy Dates: 06/28/2013 to 06/28/2014
Bill Date: 03/10/2015
Bill Amount: $130,777.95

Dear Policyholder,

Recently we received notification that you were disputing the workers' compensation policy audit indicated above.

On August 6, 2015 we requested additional information necessary to complete the review. This information was due by September 11, 2015.

As we have not received a response to our request, no revision will be made to your audit at this time.

Therefore, your final audit bill, as referenced above, remains due and payable to State Compensation Insurance Fund.

If you have any questions or concerns, please don't hesitate to contact me.

Sincerely,

Robert F Marchetti
Senior Premium Auditor – Audit Operations Unit

Phone (559) 392-6645
Fax (559) 433-3848
E-mail rfmarchetti@scif.com

Enc:

cc: Policy File
Broker R I C INS GENERAL AGENCY INC, PO BOX 12279,SANTA ROSA,CA,95406
Assistant Audit Manager

EXHIBIT 17

August 6, 2015

Attention: Cheney Shapiro
Resourceful Developments, Inc
1810 Avalon St
Los Angeles, CA 90026

Policy No.: 9063211-2014
Policy Dates: 06/28/2014 to 09/11/2014
Bill Date: 03/12/2015
Bill Amount: $45,539.54

Dear Policyholder,

This letter acknowledges receipt of your audit dispute notification dated July 8, 2015.

The following additional information is required to complete the review and determine the outcome:

1) In writing, please explain clearly the specific dollar amount of remuneration/payroll you are disputing, and please indicate which specific workers' compensation classification code(s) you feel are correct and break that out for us by the specific dollar amount of remuneration/payroll for each of your employees that you are disputing assignment of payroll for.

2) Copies of your original employee time sheets for the entire audit period (only for each of your employees that you are disputing the assignment of payroll for).

3) Check copies (reflecting when employees were paid by you) that correspond with/tie to each and every one of the employee time sheets for the entire audit period (only for each of your employees that you are disputing the assignment of payroll for).

If the necessary information is not received by the due date noted below, your audit dispute may be denied and the bill associated with the audit in question will remain due and payable.

If you have any questions or concerns, please don't hesitate to contact me.

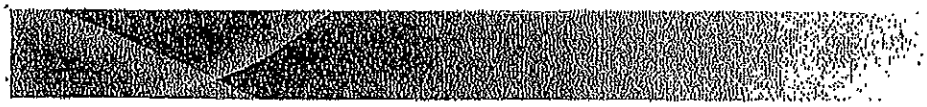
Due date: August 17, 2015. **Using any of the means listed below, please respond to:**

Attn: Robert F Marchetti
Fax (559) 433-3848
Email rfmarchetti@scif.com
Mail State Compensation Insurance Fund
P.O. Box 8192
Pleasanton, CA 94588

Sincerely,

Robert F Marchetti
Senior Premium Auditor – Audit Operations Unit
Phone (559) 392-6645

Enc:



cc: Policy File
Broker R I C INS GENERAL AGENCY INC, PO BOX 12279,SANTA ROSA,CA,95406
Assistant Audit Manager

EXHIBIT 18

September 21, 2015

Attention: Cheney Shapiro
Resourceful Developments, Inc
1810 Avalon St
Los Angeles, CA 90026

Policy No.: 9063211-2014
Policy Dates: 06/28/2014 to 09/11/2014
Bill Date: 03/12/2015
Bill Amount: $45,539.54

Dear Policyholder,

Recently we received notification that you were disputing the workers' compensation policy audit indicated above.

On August 6, 2015 we requested additional information necessary to complete the review. This information was due by September 11, 2015.

As we have not received a response to our request, no revision will be made to your audit at this time.

Therefore, your final audit bill, as referenced above, remains due and payable to State Compensation Insurance Fund.

If you have any questions or concerns, please don't hesitate to contact me.

Sincerely,

Robert F Marchetti
Senior Premium Auditor – Audit Operations Unit

Phone (559) 392-6645
Fax (559) 433-3848
E-mail rfmarchetti@scif.com

Enc:

cc: Policy File
Broker R I C INS GENERAL AGENCY INC, PO BOX 12279,SANTA ROSA,CA,95406
Assistant Audit Manager

e6859 (rev 05-11)